



SB 324 - Admissions and Amusement Tax - Food and Beverages
Senate Budget and Taxation Committee
January 24, 2025
Position: Unfavorable

Dear Chairman Senator Guy Guzzone, Vice-Chair Senator Jim Rosapepe, and Members of the Committee,

I, David Phillips (COO & CFO of R/C Theatres), am writing in opposition to SB 324 - Admissions and Amusement Tax - Food and Beverages.

We are a family-owned and operated movie theatre company with 3 locations in Maryland. I am concerned this bill will lead to implementation of an additional tax of up to 3%, which will financially harm our company.

R/C Theatres, and the industry as a whole, is still in recovery mode from the pandemic after being forced to shut down our theatres in 2020 and 2021. Additionally, the Hollywood labor strikes negatively impacted the film release schedule for 2024, which directly affects our attendance. We also recently increased our employee pay due to the minimum wage increase. These challenges have led to us needing to increase our admissions and F&B prices in order to stay afloat. We can not afford a tax increase, on top of the previously mentioned financial burdens. Our theatres create jobs for the communities we're in and a safe space for Marylanders to escape the woes of reality through a cinematic experience.

We appreciate your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'David Phillips', with a long horizontal flourish extending to the right.

David Phillips
COO & CFO